

STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL SERVICES DIVISION
P. O. BOX 942850
Sacramento, CA 94250-5878

DATE: December 20, 2016

PERSONNEL LETTER #16-021
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Debra Spellman, Chief
Personnel/Payroll Services DivisionRE: **EMPLOYEES' RETIREMENT CONTRIBUTION RATE INCREASES AND ACCOUNT
CODE UPDATES FOR EXCLUDED EMPLOYEES AFFILIATED WITH BARGAINING
UNIT 2**

In accordance with Chapter 323, Statutes of 2016 (AB 1630), the retirement contribution for excluded employees affiliated with Bargaining Unit 2 increased effective October 1, 2016. Please refer to CalHR Policy Memo (PML) 2016-025 for additional information. This letter can be accessed via the following link: <http://www.calhr.ca.gov/PML%20Library/2016025.pdf>.

Members Affected

Excluded members affiliated with Bargaining Unit 2 in 1st TIER, for Miscellaneous/Industrial, Subject and Not Subject to Social Security, Medicare Only.

Employment History (EH) Department Manual Update (505)

Agencies are responsible for updating the Employment History Data Base with the correct retirement account code via 505 transaction with an effective date of October 1, 2016.

MISCELLANEOUS/INDUSTRIAL MEMBERS SUBJECT TO SOCIAL SECURITY

- Employee rates will increase from 8% to 9%
- Miscellaneous employees move to: Account Code 4G
- Industrial employees move to: Account Code 9N

MISCELLANEOUS/INDUSTRIAL MEMBERS NOT SUBJECT TO SOCIAL SECURITY

- Employee rates will increase from 9% to 10%
- Miscellaneous employees not subject to Medicare move to: Account Code 2Q
- Industrial employees not subject to Medicare move to: Account Code 9T
- Miscellaneous Medicare only employees move to: Account Code 20
- Industrial Medicare only employees move to: Account Code 9V

PAM Revision

The [PAM section 2.62](#), item number 505 is updated to reflect the changes.

Contacts

For assistance with EH documentation or questions regarding payroll retirement contributions and account codes, contact SCO's Customer Contact Center, by telephone at (916) 372-7200.

For questions regarding CalPERS' eligibility and benefits contact CalPERS, by telephone at (888) 225-7377.

For retirement policy and legislation assistance, contact Desi Rodrigues, CalHR representative, by telephone at (916) 324-9400.

DS:KH:PMAB